

January 16, 2019

To: Shopko Customers

Re: Important Information Regarding Shopko's Restructuring

Since 1962, Shopko has provided quality name-brand merchandise, great values and services to small and mid-size cities and have consistently met the needs of smaller communities across the Central, Western and Pacific Northwest regions of the U.S.

Over the past several months, we have been taking action to drive improved performance and strengthen Shopko's financial position. Today, Shopko took an important step towards protecting our future and ensuring our ability to continue delivering the high-quality products and services that our customers are accustomed to receiving.

WHAT THIS MEANS FOR YOU: WE ARE OPEN FOR BUSINESS

- Our continuing stores are open. We continue to offer the high-quality products that you are accustomed to.
- Our customer programs will be offered as normal at our continuing stores.
 Except for those stores that we are closing, we are continuing to honor return policies, warranties, gift cards and merchandise credits, as well as our loyalty programs.
- You can continue to count on our high-quality products and services.

Today's announcement provides clarity about the path forward for us, and we are confident the outcome will be a stronger Shopko for you, our valued customers, through the process.

If you have questions about this process, you can find FAQ's and additional information on a special page on our website at http://info.shopko.com.

We will be sure to communicate with you throughout our reorganization and give regular updates as important decisions and major developments take place.

Sincerely,

Russ Steinhorst, SHOPKO CEO

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